

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 71

January 24, 2011

SUMMARY OF BILL: Creates standards to be followed by a funeral establishment storing a dead human body that will not be embalmed.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant

**Increase State Expenditures - \$6,000/One-Time/Board of Funeral Directors
and Embalmers
\$5,000/Recurring/Board of Funeral Directors
and Embalmers**

Increase Local Revenue – Not Significant

Increase Local Expenditures – Not Significant

Other Fiscal Impact – According to the Department of Commerce and Insurance, the one-time expenditures of \$6,000 and recurring expenditures of \$5,000 can be accommodated within the existing resources of the Board of Funeral Directors and Embalmers without raising licensure fees. In FY09-10, the Board had a closing balance of \$360,900 and a total balance of \$430,300.

Assumptions:

- The Board will incur a one-time increase in expenditures of \$6,000 which includes \$5,000 for a rule-making hearing and \$1,000 for modifications to inspection forms.
- The Board anticipates one additional complaint annually, which will result in one additional formal hearing each year. The additional formal hearing will cause an increase to recurring expenditures of \$5,000 per year.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all regulatory boards are required to be self-supporting over a two-year period. The Board of Funeral Directors and Embalmers had closing balances of \$360,873 in FY09-10 and \$69,404.08 in FY08-09.
- Pursuant to Tenn. Code Ann. § 62-5-103, any failure to comply with the proposed standards would be a Class C misdemeanor.
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/sbh